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FISCAL IMPACT STATEMENT

LS 7196

BILL NUMBER: SB 523

NOTE PREPARED: Jan 7, 2007

BILL AMENDED:

SUBJECT: Vote By Mail.

FIRST AUTHOR: Sen. Broden

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: The bill provides that all elections held in Indiana after December 31, 2008, shall be held by mail except as otherwise provided by law. The bill requires the Census Data Advisory Committee to prepare legislation for introduction in the 2008 session to make appropriate changes in statutes to provide for conducting all elections in Indiana by mail.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: *Summary-* The cost of a single election by mail, if held today, is estimated to be up to \$2.5 M, depending upon implementation of the new election system.

Background- Counties currently using direct recording electronic (DRE) voting systems would need to produce paper ballots for mail. As of October 2006, there were 4,270,420 registered voters in Indiana. The number of voters served by DRE at that time totaled 2,568,298. If an election by mail were to occur presently, counties with DRE systems would have at least two options: print paper ballots and then input the voters' votes into their DRE systems or purchase optical-scan ballot cards and scan them with an optical-scan system used for absentee ballots. Optical-scan ballot cards are about \$0.32 per card. Counties would have expenditures for envelopes and first class mail. The first class mail rate is currently \$0.39.

If an election were held today, the estimated expenditures for first class mail and ballot cards to each

registered voter in the state is approximately \$2.5 M ($2,568,298 * \$0.32 + 4,270,420 * \$0.39 = \$821,855 + \$1,665,464 = \$2,487,319$). Future expenditures would be primarily dependent on postage costs.

The estimate is figured by taking the product of the number of DRE voters and the cost for an optical scan ballot plus postage for every registered voter. The estimate assumes that counties that currently use optical-scan systems to conduct elections would have already budgeted for ballot cards and would only have envelope and mail expenses. Depending on the timing of election results, county election boards may require temporary employees to scan the ballots.

Offsetting Reduction in Expenditures: There are possibilities to mitigate some of the cost to counties. The state could arrange a quantity purchase agreement with optical-scan vendors to purchase ballots for the entire electorate at a reduced cost per ballot.

Counties would be able to offset the above expenditures with a reduction in per diem expenses for poll workers. Additionally, county election boards would also have reduced expenditures for rental of polling places. Counties would also have reduced expenditures since they would no longer have to mail absentee ballots.

Explanation of Local Revenues:

State Agencies Affected: Census Data Advisory Committee; Legislative Services Agency.

Local Agencies Affected: County election boards.

Information Sources: Indiana Election Division; Marion County Circuit Court Clerk.

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